

TAB 46

Form **990**Department of the Treasury
Internal Revenue Service**Return of Organization Exempt From Income Tax**

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No 1545-0047

2003Open to Public
InspectionA For the 2003 calendar year, or tax year beginning **JAN 1, 2004** and ending **AUG 31, 2004**

B Check if applicable:

- ☐ Address change
☐ Name change
☐ Initial return
☒ Final return
☐ Amended return
☐ Application pending

Please use IRS label or print or type. See Specific Instructions

C Name of organization

**DISABLED JOCKEYS FUND
BRANCH BANKING & TRUST COMPANY, TRUSTEE**

Number and street (or P O box if mail is not delivered to street address)

360 EAST VINE STREET

Room/suite

D Employer identification number

E Telephone number

(859) 281-2120

F Accounting method:

☒ Cash ☐ Accrual

Other (specify) ▶

• Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

H and I are not applicable to section 527 organizations.

H(a) Is this a group return for affiliates? ☐ Yes ☒ No

H(b) If "Yes," enter number of affiliates ▶

H(c) Are all affiliates included? **N/A** ☐ Yes ☐ No (if "No," attach a list.)H(d) Is this a separate return filed by an organization covered by a group ruling? ☐ Yes ☒ No

I Group Exemption Number ▶

M Check ☒ if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).G Website: ▶ **N/A**J Organization type (check only one) ☒ 501(c) (3) (insert no.) ☐ 4947(a)(1) or ☐ 527K Check here ☐ If the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶ **101,670.****Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances**

| | | | | | |
|---|--|----------------|-----------------|-------------|------------------------|
| 1 Contributions, gifts, grants, and similar amounts received: | | | | | |
| a | Direct public support | 1a | | | |
| b | Indirect public support | 1b | | 116. | |
| c | Government contributions (grants) | 1c | | | |
| d | Total (add lines 1a through 1c) (cash \$ 116. noncash \$) | 1d | | | 116. |
| 2 | Program service revenue including government fees and contracts (from Part VII, line 93) | 2 | | | |
| 3 | Membership dues and assessments | 3 | | | |
| 4 | Interest on savings and temporary cash investments | 4 | | | 67. |
| 5 | Dividends and interest from securities | 5 | | | 684. |
| 6 a | Gross rents | 6a | | | |
| b | Less: rental expenses | 6b | | | |
| c | Net rental income or (loss) (subtract line 6b from line 6a) | 6c | | | |
| 7 | Other investment income (describe ▶) | 7 | | | |
| 8 a | Gross amount from sales of assets other than inventory | (A) Securities | | (B) Other | |
| b | Less: cost or other basis and sales expenses | 8a | 100,803. | 8b | |
| c | Gain or (loss) (attach schedule) | 8c | 81,197. | 8c | |
| d | Net gain or (loss) (combine line 8c, columns (A) and (B)) | 8d | 19,606. | 8c | |
| 9 | Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/> | | | | |
| a | Gross revenue (not including \$ of contributions reported on line 1a) | 9a | | | |
| b | Less: direct expenses other than fundraising expenses | 9b | | | |
| c | Net income or (loss) from special events (subtract line 9b from line 9a) | 9c | | | |
| 10 a | Gross sales of inventory, less returns and allowances | 10a | | | |
| b | Less: cost of goods sold | 10b | | | |
| c | Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a) | 10c | | | |
| 11 | Other revenue (from Part VII, line 103) | 11 | | | |
| 12 | Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11) | 12 | | | 20,473. |
| 13 | Program services (from line 44, column (B)) | 13 | | | 100,261. |
| 14 | Management and general (from line 44, column (C)) | 14 | | | 4,683. |
| 15 | Fundraising (from line 44, column (D)) | 15 | | | |
| 16 | Payments to affiliates (attach schedule) | 16 | | | |
| 17 | Total expenses (add lines 16 and 44, column (A)) | 17 | | | 104,944. |
| 18 | Excess or (deficit) for the year (subtract line 17 from line 12) | 18 | | | <84,471.> |
| 19 | Net assets or fund balances at beginning of year (from line 73, column (A)) | 19 | | | 105,071. |
| 20 | Other changes in net assets or fund balances (attach explanation) | 20 | | | <20,600.> |
| 21 | Net assets or fund balances at end of year (combine lines 18, 19, and 20) | 21 | | | 0. |

323001
12-17-03

LHA For Paperwork Reduction Act Notice, see the separate instructions.

Form 990 (2003)

**DISABLED JOCKEYS FUND
BRANCH BANKING & TRUST COMPANY, TRUSTEE**

Part II Statement of Functional Expenses All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others Page 2

| Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I. | (A) Total | (B) Program services | (C) Management and general | (D) Fundraising |
|---|-----------|----------------------|----------------------------|-----------------|
| 22 Grants and allocations (attach schedule) | | | | |
| cash \$ noncash \$ | 22 | | | |
| 23 Specific assistance to individuals (attach schedule) | 23 | 100,261. | 100,261. | STATEMENT 4 |
| 24 Benefits paid to or for members (attach schedule) | 24 | | | |
| 25 Compensation of officers, directors, etc. | 25 | 0. | 0. | 0. |
| 26 Other salaries and wages | 26 | | | |
| 27 Pension plan contributions | 27 | | | |
| 28 Other employee benefits | 28 | | | |
| 29 Payroll taxes | 29 | | | |
| 30 Professional fundraising fees | 30 | | | |
| 31 Accounting fees | 31 | 4,000. | 4,000. | |
| 32 Legal fees | 32 | | | |
| 33 Supplies | 33 | | | |
| 34 Telephone | 34 | | | |
| 35 Postage and shipping | 35 | | | |
| 36 Occupancy | 36 | | | |
| 37 Equipment rental and maintenance | 37 | | | |
| 38 Printing and publications | 38 | | | |
| 39 Travel | 39 | | | |
| 40 Conferences, conventions, and meetings | 40 | | | |
| 41 Interest | 41 | | | |
| 42 Depreciation, depletion, etc. (attach schedule) ... | 42 | | | |
| 43 Other expenses not covered above (itemize): | | | | |
| a STATE FEES & | 43a | | | |
| b REGISTRATIONS | 43b | 100. | 100. | |
| c FIDUCIARY FEES | 43c | 583. | 583. | |
| d | 43d | | | |
| e | 43e | | | |
| 44 Total functional expenses (add lines 22 through 43) | 44 | 104,944. | 100,261. | 4,683. |
| Organizations completing columns (B)-(D), carry these totals to lines 13-15 | | | | 0. |

Joint Costs. Check ☐ If you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? ☐ Yes ☒ No

If "Yes," enter (i) the aggregate amount of these joint costs \$; (ii) the amount allocated to Program services \$;

(iii) the amount allocated to Management and general \$; and (iv) the amount allocated to Fundraising \$

Part III Statement of Program Service Accomplishments

What is the organization's primary exempt purpose? **SEE STATEMENT 3**

All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

Program Service Expenses
(Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)

| | |
|--|----------|
| a DISTRIBUTIONS MADE TO JOCKEYS WHO ARE PERMANENTLY OR TEMPORARILY DISABLED. | |
| (Grants and allocations \$ 100,261.) | 100,261. |
| b | |
| (Grants and allocations \$) | |
| c | |
| (Grants and allocations \$) | |
| d | |
| (Grants and allocations \$) | |
| e Other program services (attach schedule) | |
| (Grants and allocations \$) | |
| f Total of Program Service Expenses (should equal line 44, column (B), Program services) | 100,261. |

DISABLED JOCKEYS FUND

BRANCH BANKING & TRUST COMPANY, TRUSTEE

Form 990 (2003)

Page 3

Part IV Balance Sheets

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.


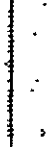


| | | (A) Beginning of year | (B) End of year | |
|--|---|--|--------------------|----|
| Assets | 45 Cash - non-interest-bearing | 45 | | |
| | 46 Savings and temporary cash investments | 3,273. | 46 | |
| | 47 a Accounts receivable | 47a | | |
| | b Less: allowance for doubtful accounts | 47b | 47c | |
| | 48 a Pledges receivable | 48a | | |
| | b Less: allowance for doubtful accounts | 48b | 48c | |
| | 49 Grants receivable | | 49 | |
| | 50 Receivables from officers, directors, trustees, and key employees | | 50 | |
| | 51 a Other notes and loans receivable | 51a | | |
| | b Less: allowance for doubtful accounts | 51b | 51c | |
| | 52 Inventories for sale or use | | 52 | |
| | 53 Prepaid expenses and deferred charges | | 53 | |
| | 54 Investments - securities | <input type="checkbox"/> Cost <input type="checkbox"/> FMV | 54 | |
| | 55 a Investments - land, buildings, and equipment: basis | 55a | | |
| b Less: accumulated depreciation | 55b | 55c | | |
| 56 Investments - other | SEE STATEMENT 5 | 101,798. | 56 | |
| 57 a Land, buildings, and equipment: basis | 57a | | | |
| b Less: accumulated depreciation | 57b | 57c | | |
| 58 Other assets (describe) | | 58 | | |
| 59 Total assets (add lines 45 through 58) (must equal line 74) | 105,071. | 59 | 0. | |
| Liabilities | 60 Accounts payable and accrued expenses | | 60 | |
| | 61 Grants payable | | 61 | |
| | 62 Deferred revenue | | 62 | |
| | 63 Loans from officers, directors, trustees, and key employees | | 63 | |
| | 64 a Tax-exempt bond liabilities | | 64a | |
| | b Mortgages and other notes payable | | 64b | |
| | 65 Other liabilities (describe) | | 65 | |
| 66 Total liabilities (add lines 60 through 65) | 0. | 66 | 0. | |
| Net Assets or Fund Balances | Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74. | | | |
| | 67 Unrestricted | 105,071. | 67 | 0. |
| | 68 Temporarily restricted | | 68 | |
| | 69 Permanently restricted | | 69 | |
| | Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74. | | | |
| | 70 Capital stock, trust principal, or current funds | | 70 | |
| | 71 Paid-in or capital surplus, or land, building, and equipment fund | | 71 | |
| | 72 Retained earnings, endowment, accumulated income, or other funds | | 72 | |
| | 73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21) | 105,071. | 73 | 0. |
| | 74 Total liabilities and net assets / fund balances (add lines 66 and 73) | 105,071. | 74 | 0. |

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

BRANCH BANKING & TRUST COMPANY, TRUSTEE

Page 4

Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return

| | |
|---|---|
| a | N/A |
| b |  |
| c |  |
| d |  |
| e |  |

| | |
|---|-----|
| a | N/A |
| b | |
| c | |
| d | |
| e | |

| | |
|--------|---|
| Part V | List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated.) |
|--------|---|

[illegible]

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? If "Yes," attach schedule. ☐ Yes ☒ No

DISABLED JOCKEYS FUND

BRANCH BANKING & TRUST COMPANY, TRUSTEE

Form 990 (2003)

Page 5

| Part VI Other Information | | Yes | No |
|---------------------------|--|-----|----|
| 76 | Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity | 76 | X |
| 77 | Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes. | 77 | X |
| 78 a | Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return? | 78a | X |
| b | If "Yes," has it filed a tax return on Form 990-T for this year? N/A | 78b | |
| 79 | Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement | 79 | X |
| 80 a | Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization? | 80a | X |
| b | If "Yes," enter the name of the organization JOCKEYS' GUILD, INC. and check whether it is <input checked="" type="checkbox"/> exempt or <input type="checkbox"/> nonexempt | | |
| 81 a | Enter direct or indirect political expenditures. See line 81 instructions 81a 0. | | |
| b | Did the organization file Form 1120-POL for this year? | 81b | X |
| 82 a | Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value? | 82a | X |
| b | If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.) 82b N/A | | |
| 83 a | Did the organization comply with the public inspection requirements for returns and exemption applications? | 83a | X |
| b | Did the organization comply with the disclosure requirements relating to quid pro quo contributions? | 83b | X |
| 84 a | Did the organization solicit any contributions or gifts that were not tax deductible? N/A | 84a | |
| b | If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? N/A | 84b | |
| 85 | 501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members? N/A | 85a | |
| b | Did the organization make only in-house lobbying expenditures of \$2,000 or less? N/A If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year. | 85b | |
| c | Dues, assessments, and similar amounts from members 85c N/A | | |
| d | Section 162(e) lobbying and political expenditures 85d N/A | | |
| e | Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices 85e N/A | | |
| f | Taxable amount of lobbying and political expenditures (line 85d less 85e) 85f N/A | | |
| g | Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? N/A | 85g | |
| h | If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year? N/A | 85h | |
| 86 | 501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12 86a N/A | | |
| b | Gross receipts, included on line 12, for public use of club facilities 86b N/A | | |
| 87 | 501(c)(12) organizations. Enter: a Gross income from members or shareholders 87a N/A | | |
| b | Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) 87b N/A | | |
| 88 | At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX | 88 | X |
| 89 a | 501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 0.; section 4912 0.; section 4955 0. | | |
| b | 501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction | 89b | X |
| c | Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 0. | | |
| d | Enter: Amount of tax on line 89c, above, reimbursed by the organization 0. | | |
| 90 a | List the states with which a copy of this return is filed KENTUCKY 90b 0 | | |
| b | Number of employees employed in the pay period that includes March 12, 2003. 90b 0 | | |
| 91 | The books are in care of BRANCH BANKING & TRUST COMPANY Telephone no. 859-281-2120 | | |

Located at 360 EAST VINE STREET LEXINGTON, KY

ZIP + 4 40507-1514

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here ☐
and enter the amount of tax-exempt interest received or accrued during the tax year 92 N/A

**DISABLED JOCKEYS FUND
BRANCH BANKING & TRUST COMPANY, TRUSTEE**

Form 990 (2003)

Page 6

Part VII Analysis of Income-Producing Activities (See page 33 of the instructions.)

Note: Enter gross amounts unless otherwise indicated.

| | Unrelated business income | | Excluded by section 512, 513, or 514 | | (E) Related or exempt function income |
|---|---------------------------|---------------|--------------------------------------|---------------|---|
| | (A) Business code | (B) Amount | (C) Exclu- sion code | (D) Amount | |
| 93 Program service revenue. | | | | | |
| a | | | | | |
| b | | | | | |
| c | | | | | |
| d | | | | | |
| e | | | | | |
| f Medicare/Medicaid payments | | | | | |
| g Fees and contracts from government agencies | | | | | |
| 94 Membership dues and assessments | | | | | |
| 95 Interest on savings and temporary cash investments | | | 14 | 67. | |
| 96 Dividends and interest from securities | | | 14 | 684. | |
| 97 Net rental income or (loss) from real estate. | | | | | |
| a debt-financed property | | | | | |
| b not debt-financed property | | | | | |
| 98 Net rental income or (loss) from personal property | | | | | |
| 99 Other investment income | | | | | |
| 100 Gain or (loss) from sales of assets other than inventory | | | 18 | 19,606. | |
| 101 Net income or (loss) from special events | | | | | |
| 102 Gross profit or (loss) from sales of inventory | | | | | |
| 103 Other revenue. | | | | | |
| a | | | | | |
| b | | | | | |
| c | | | | | |
| d | | | | | |
| e | | | | | |
| 104 Subtotal (add columns (B), (D), and (E)) | | 0. | | 20,357. | 0. |
| 105 Total (add line 104, columns (B), (D), and (E)) | | | | | 20,357. |

Note: Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See page 34 of the instructions.)

Line No. Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See page 34 of the instructions.)

| (A) Name, address, and EIN of corporation, partnership, or disregarded entity | (B) Percentage of ownership interest | (C) Nature of activities | (D) Total income | (E) End-of-year assets |
|---|--|-----------------------------|---------------------|------------------------------|
| N/A | % | | | |
| | % | | | |
| | % | | | |
| | % | | | |

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See page 34 of the instructions.)

- (a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No
- (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No

I am preparing this return on behalf of the organization, and to the best of my knowledge and belief, it is true, and the information of which I am preparing it is true.

11/14/04 Barry Hickey, Trust Officer
Type or print name and title.

Department of the Treasury
Internal Revenue Service

(Except Private Foundation) and Section 501(c), 501(f), 501(k),
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information-(See separate instructions.)

▶ **MUST** be completed by the above organizations and attached to their Form 990 or 990-EZ

OMB No. 1545-0047

2003

Employer identification number

(See page 1 of the instructions. List each one. If there are none, enter "None.")

| (See page 1 of the instructions. List each one. If there are none, enter "none".) | | | | |
|---|--|------------------|---|--|
| (a) Name and address of each employee paid more than \$50,000 | (b) Title and average hours per week devoted to position | (c) Compensation | (d) Contributions to employee benefit plans & deferred compensation | (e) Expense account and other allowances |
| NONE | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| Total number of other employees paid over \$50,000 | 0 | | | |

(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

| (a) Name and address of each independent contractor paid more than \$50,000 | (b) Type of service | (c) Compensation |
|--|---------------------|------------------|
| NONE ----- | | |
| ----- | | |
| ----- | | |
| ----- | | |
| ----- | | |
| ----- | | |
| Total number of others receiving over \$50,000 for professional services | 0 | |

DISABLED JOCKEYS FUND

Schedule A (Form 990 or 990-EZ) 2003 **BRANCH BANKING & TRUST COMPANY, TRUSTEE**

Page 2

Part III Statements About Activities (See page 2 of the instructions)

| | Yes | No |
|--|-----|----|
| 1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities: \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.) | 1 | X |
| 2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.) | | |
| a Sale, exchange, or leasing of property? | 2a | X |
| b Lending of money or other extension of credit? | 2b | X |
| c Furnishing of goods, services, or facilities? | 2c | X |
| d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? | 2d | X |
| e Transfer of any part of its income or assets? | 2e | X |
| 3 a Do you make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments.) | 3a | X |
| b Do you have a section 403(b) annuity plan for your employees? | 3b | X |
| 4 Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds? | 4 | X |

Part IV Reason for Non-Private Foundation Status (See pages 3 through 6 of the instructions.)

The organization is not a private foundation because it is: (Please check only ONE applicable box.)

- 5 ☐ A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6 ☐ A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7 ☐ A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8 ☐ A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9 ☐ A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state: _____
- 10 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the Support Schedule in Part IV-A.)
- 11a ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the Support Schedule in Part IV-A.)
- 11b ☐ A community trust. Section 170(b)(1)(A)(vi). (Also complete the Support Schedule in Part IV-A.)
- 12 ☐ An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the Support Schedule in Part IV-A.)
- 13 ☐ An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in: (1) lines 5 through 12 above; or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). (See section 509(a)(3).)

Provide the following information about the supported organizations. (See page 5 of the instructions.)

| (a) Name(s) of supported organization(s) | (b) Line number from above |
|--|----------------------------|
| | |
| | |
| | |

- 14 ☐ An organization organized and operated to test for public safety. Section 509(a)(4). (See page 6 of the instructions.)

Schedule A (Form 990 or 990-EZ) 2003

DISABLED JOCKEYS FUND

Schedule A (Form 990 or 990-EZ) 2003 **BRANCH BANKING & TRUST COMPANY, TRUSTEE**

Page 3

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) Use cash method of accounting. Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

| Calendar year (or fiscal year beginning in) | (a) 2002 | (b) 2001 | (c) 2000 | (d) 1999 | (e) Total |
|---|----------|----------|----------|----------|-----------|
| 15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28) | 118. | 4,100. | 195,127. | 263,910. | 463,255. |
| 16 Membership fees received | | | | | |
| 17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose | | | | 14,341. | 14,341. |
| 18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975 | 13,988. | 34,975. | 45,078. | 42,006. | 136,047. |
| 19 Net income from unrelated business activities not included in line 18 | | | | | |
| 20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf | | | | | |
| 21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge | | | | | |
| 22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets | | | | | |
| 23 Total of lines 15 through 22 | 14,106. | 39,075. | 240,205. | 320,257. | 613,643. |
| 24 Line 23 minus line 17 | 14,106. | 39,075. | 240,205. | 305,916. | 599,302. |
| 25 Enter 1% of line 23 | 141. | 391. | 2,402. | 3,203. | |

| | | |
|--|-----|----------|
| 26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24 | 26a | 11,986. |
| b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1999 through 2002 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts | 26b | 232,569. |
| c Total support for section 509(a)(1) test. Enter line 24, column (e) | 26c | 599,302. |
| d Add: Amounts from column (e) for lines: 18 136,047. 19 232,569. | 26d | 368,616. |
| 22 26b | 26e | 230,686. |
| e Public support (line 26c minus line 26d total) | 26f | 38.4924% |
| f Public support percentage (line 26e (numerator) divided by line 26c (denominator)) | | |

| | | |
|--|-----|-------|
| 27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: N/A | | |
| (2002) (2001) (2000) (1999) | | |
| b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: N/A | | |
| (2002) (2001) (2000) (1999) | | |
| c Add: Amounts from column (e) for lines: 15 16 17 20 21 | 27c | N/A |
| d Add: Line 27a total 2nd line 27b total | 27d | N/A |
| e Public support (line 27c total minus line 27d total) | 27e | N/A |
| f Total support for section 509(a)(2) test: Enter amount on line 23, column (e) | 27f | N/A |
| g Public support percentage (line 27e (numerator) divided by line 27f (denominator)) | 27g | N/A % |
| h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)) | 27h | N/A % |

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 1999 through 2002, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

NONE

DISABLED JOCKEYS FUND

Schedule A (Form 990 or 990-EZ) 2003 **BRANCH BANKING & TRUST COMPANY, TRUSTEE**

Page 4

Part V Private School Questionnaire (See page 7 of the instructions)

N/A

(To be completed ONLY by schools that checked the box on line 6 in Part IV)

| | Yes | No |
|--|-----|----|
| 29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body? | 29 | |
| 30 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships? | 30 | |
| 31 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.) | 31 | |
| | | |
| | | |
| 32 Does the organization maintain the following | 32a | |
| a Records indicating the racial composition of the student body, faculty, and administrative staff? | 32b | |
| b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis? | 32c | |
| c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships? | 32d | |
| d Copies of all material used by the organization or on its behalf to solicit contributions? If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.) | | |
| | | |
| 33 Does the organization discriminate by race in any way with respect to: | 33a | |
| a Students' rights or privileges? | 33b | |
| b Admissions policies? | 33c | |
| c Employment of faculty or administrative staff? | 33d | |
| d Scholarships or other financial assistance? | 33e | |
| e Educational policies? | 33f | |
| f Use of facilities? | 33g | |
| g Athletic programs? | 33h | |
| h Other extracurricular activities? If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.) | | |
| | | |
| | | |
| 34 a Does the organization receive any financial aid or assistance from a governmental agency? | 34a | |
| b Has the organization's right to such aid ever been revoked or suspended? | 34b | |
| If you answered "Yes" to either 34a or b, please explain using an attached statement. | | |
| 35 Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation | 35 | |

Schedule A (Form 990 or 990-EZ) 2003

DISABLED JOCKEYS FUND

Schedule A (Form 990 or 990-EZ) 2003 **BRANCH BANKING & TRUST COMPANY, TRUSTEE**

Page 5

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions)

N/A

(To be completed ONLY by an eligible organization that filed Form 5768)

Check ☐ a ☐ if the organization belongs to an affiliated group Check ☐ b ☐ if you checked "a" and "limited control" provisions apply

Limits on Lobbying Expenditures

(The term "expenditures" means amounts paid or incurred.)

| | (a) Affiliated group totals | (b) To be completed for ALL electing organizations |
|--|---|--|
| | N/A | |
| 36 Total lobbying expenditures to influence public opinion (grassroots lobbying) | 36 | |
| 37 Total lobbying expenditures to influence a legislative body (direct lobbying) | 37 | |
| 38 Total lobbying expenditures (add lines 36 and 37) | 38 | |
| 39 Other exempt purpose expenditures | 39 | |
| 40 Total exempt purpose expenditures (add lines 38 and 39) | 40 | |
| 41 Lobbying nontaxable amount. Enter the amount from the following table - | | |
| If the amount on line 40 is - The lobbying nontaxable amount is - | | |
| Not over \$500,000 | 20% of the amount on line 40 | |
| Over \$500,000 but not over \$1,000,000 | \$100,000 plus 15% of the excess over \$500,000 | |
| Over \$1,000,000 but not over \$1,500,000 | \$175,000 plus 10% of the excess over \$1,000,000 | |
| Over \$1,500,000 but not over \$17,000,000 | \$225,000 plus 5% of the excess over \$1,500,000 | |
| Over \$17,000,000 | \$1,000,000 | |
| 42 Grassroots nontaxable amount (enter 25% of line 41) | 42 | |
| 43 Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36 | 43 | |
| 44 Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38 | 44 | |

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45 through 50 on page 11 of the instructions.)

| Calendar year (or fiscal year beginning in) ▶ | Lobbying Expenditures During 4-Year Averaging Period | | | | N/A |
|--|--|-------------|-------------|-------------|--------------|
| | (a) 2003 | (b) 2002 | (c) 2001 | (d) 2000 | (e) Total |
| 45 Lobbying nontaxable amount | | | | | 0. |
| 46 Lobbying ceiling amount (150% of line 45(e)) | | | | | 0. |
| 47 Total lobbying expenditures | | | | | 0. |
| 48 Grassroots nontaxable amount | | | | | 0. |
| 49 Grassroots ceiling amount (150% of line 48(e)) | | | | | 0. |
| 50 Grassroots lobbying expenditures | | | | | 0. |

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 12 of the instructions.)

N/A

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:

- a Volunteers
- b Paid staff or management (Include compensation in expenses reported on lines c through h.)
- c Media advertisements
- d Mailings to members, legislators, or the public
- e Publications, or published or broadcast statements
- f Grants to other organizations for lobbying purposes
- g Direct contact with legislators, their staffs, government officials, or a legislative body
- h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means
- i Total lobbying expenditures (Add lines c through h.)

| Yes | No | Amount |
|-----|----|--------|
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | 0. |

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities.

Schedule A (Form 990 or 990-EZ) 2003 **BRANCH BANKING & TRUST COMPANY, TRUSTEE**

Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 12 of the instructions.)

N/A

12

DISABLED JOCKEYS FUND BRANCH BANKING & T

FORM 990 GAIN (LOSS) FROM PUBLICLY TRADED SECURITIES STATEMENT 1

| DESCRIPTION | GROSS SALES PRICE | COST OR OTHER BASIS | EXPENSE OF SALE | NET GAIN OR (LOSS) |
|-----------------------------------|----------------------|------------------------|--------------------|-----------------------|
| CAPITAL GAINS | 100,803. | 81,197. | 0. | 19,606. |
| TOTAL TO FORM 990, PART I, LINE 8 | 100,803. | 81,197. | 0. | 19,606. |

FORM 990 OTHER CHANGES IN NET ASSETS OR FUND BALANCES STATEMENT 2

| DESCRIPTION | AMOUNT |
|------------------------------------|-----------|
| UNREALIZED GAIN ON INVESTMENTS | <20,600.> |
| TOTAL TO FORM 990, PART I, LINE 20 | <20,600.> |

FORM 990 STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE PART III STATEMENT 3

EXPLANATION

THE DISABLED JOCKEYS FUND PROVIDES FINANCIAL HELP TO JOCKEYS WHO ARE PERMANENTLY AND TEMPORARILY DISABLED.

FORM 990 SPECIFIC ASSISTANCE TO INDIVIDUALS STATEMENT 4

| DESCRIPTION | AMOUNT |
|---|----------|
| DISTRIBUTIONS TO OR FOR JOCKEYS WHO ARE PERMANENTLY OR TEMPORARILY DISABLED | 100,261. |
| TOTAL TO FORM 990, PART II, LINE 23 | 100,261. |

DISABLED JOCKEYS FUND BRANCH BANKING & T

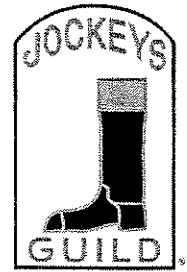
| FORM 990 | OTHER INVESTMENTS | STATEMENT | 5 |
|---|---------------------|-----------|---|
| DESCRIPTION | VALUATION METHOD | AMOUNT | |
| BRANCH BANKING & TRUST COMPANY | MARKET VALUE | 0. | |
| TOTAL TO FORM 990, PART IV, LINE 56, COLUMN B | | 0. | |

FOOTNOTES

STATEMENT 6

THE DISABLED JOCKEYS' FUND IS TERMINATING IN 2004. ALL
 DONATIONS CURRENTLY IN THE FUND ARE BEING SPENT ON THE FUNDS'
 CHARITABLE PURPOSE. NO ADDITIONAL FUNDS ARE BEING SOLICITED.

TAB 47



24 September 2003

VIA FACSIMILE, E-MAIL, AND USPS

Marc A. Schultz, CPA
Piazza, Donnelly & Marlette, LLP
21707 Hawthorne Boulevard, Suite 301
Torrance, California 90503

RE: QUESTIONS REGARDING DISABLED JOCKEYS' FUND (12/31/2002)

Dear Marc,

The answers to your questions are as follows; please let me know if you need any additional information.

1. Are there any donor restrictions in connection with year 2002 contributions received?

The Disabled Jockeys' Fund does not generally accept donor restrictions, so there were no donor restrictions in connection with year 2002 contributions received.

2. Are there any receipts or acknowledgments provided to donors who contributed more than \$250 to the fund?

Yes, a thank-you-letter is sent to all contributors and it acknowledges the amount of the contribution.

3. Who is the \$125,913 contribution from? Is document support available for this deposit?

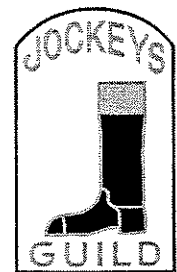
The contribution is from multiple people. We do have supporting document to show the itemization.

4. Why did benefit payments increase significantly from \$179,450 to \$838,707, in 2001 and 2002, respectively?

In 2001, the Disabled Jockeys' Fund provided only assistance for special circumstances to the permanently disabled members of the Jockeys' Guild; whereas in 2002, the Disabled Jockeys' Fund provided financial aid assistance to all disabled jockeys and assistance for medical bills and other special circumstances to the permanently disabled members.

5. We briefly discussed the benefit payment reimbursements being made to Jockeys Guild, Inc. Why did the accounting procedures change from the prior year? Can you provide detail that supports all of the related expenses?

The management of Jockeys' Guild, Inc. decided, in accordance with the trust agreement with Vine Street Trust (now Branch Banking & Trust), to change the benefits payments from the Disabled Jockeys' Fund as shown in the answer to question number four, thereby changing the accounting procedures from the prior year. Detail supporting the related expenses can be provided.



Marc A. Schultz, CPA
Page 2
24 September 2003

6. How were distributions to beneficiaries determined? These include monthly distributions to jockeys, extra benefits payments to jockeys, and other miscellaneous payments for various items. Does Jockeys Fund disburse funds based on receipts or requests submitted by jockeys?

Distributions to beneficiaries were determined in the same manner as in previous years. As before, \$250 is the amount of monthly financial aid paid to the permanently disabled unless they were injured in California, in which case they receive \$1000. Additionally, if they are enrolled in Medicare, they receive a reimbursement of \$60 for their monthly premium, except in California. Extra benefits are paid to the permanently disabled if their total household income is less than \$18,000 per annum. Benefits are also reduced if the permanently disabled have a large household income from either a spouse or a settlement from the injury.

Other payments are made to the permanently disabled jockeys based on need; if a permanently disabled jockey has other medical expenses, or a special need case, they submit either receipts or call with a request for reimbursement or payment of other expenditures.

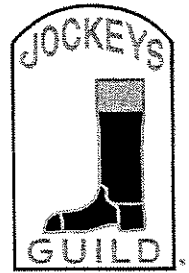
In the case of temporary disability, jockeys injured in non-workers'-compensation states receive \$200 per week in disability, which is paid according to the payments made by the jockeys' on-track disability policy held by the racetracks. Jockeys injured in states with workers' compensation receive \$100 per week, which is paid according to copies of the check stubs from the workers' compensation plans submitted by the jockeys.

7. Please describe the benefit payment authorization process.

The benefit payments to the permanently disabled jockeys are authorized by the Disabled Jockeys' Committee if they exceed \$500, otherwise they can be authorized by Albert Fiss or Dr. Gertmenian. The payments to the temporarily disabled jockeys are paid according to the payments made by other insurance companies; for example, if the on-track insurance company, Preferred Care, Inc. pays for two weeks, the jockey is paid for two weeks.

8. How is a Jockey determined to be disabled? What documents are available for support?

A jockey is determined to be permanently disabled if he or she is declared as such by the Social Security Administration; the documents from the Social Security Administration are on file. The on-track insurance carriers determine eligibility for temporary disability benefits; the documents showing disability dates are on file.



Marc A. Schultz, CPA
Page 3
24 September 2003

9. Why did the Fund change trustees from Vine Street to Branch Banking & Trust Co.?

Branch Banking & Trust Co. (BB&T) acquired Vine Street Trust.

Again, if you need supporting document for the above questions, let me know.

Sincerely,

JOCKEYS' GUILD, INC.

Stephen J. Rice
Controller & CFO

cc: L. G. Marlette, Jr.

TAB 48

AGREEMENT

Confidential

The Jockeys' Guild, Inc. (hereinafter "the Guild") was incorporated in 1940 to address the health and welfare of jockeys and their families. It currently has a Board of Directors of 27 jockeys, including an Executive Committee of nine members.

Matrix Capital Associates, Inc. (hereinafter "Matrix") was incorporated in 1981 to advise clients on matters of investments, negotiations, and management. All personnel have advanced degrees in a variety of professions including law, finance, economics, business, accounting, and management. Dr. L. Wayne Gertmenian is Chairman and CEO.

The Guild employs a business staff to act on its behalf. On 15 June 2001, the Executive Committee, at a meeting with all members present, voted unanimously to hire Matrix to be its independent operating manager.

NOW, THEREFORE, pursuant to this decision, the parties hereto agree as follows:

The Guild hereby hires Matrix and Matrix agrees to serve the Guild as its manager, commencing at 11:00 p.m. (Pacific Time), 15 June 2001, for a period ending December 31, 2001, with extensions as hereinafter provided.

Matrix will be responsible for all business affairs of the Guild subject to the Guild's By-Laws and Articles of Incorporation. Matrix will operate the Guild's offices immediately, make a comprehensive inventory, and audit the Guild's affairs. Matrix will manage all financial matters of the Guild, and in that capacity, its agents are authorized to become signatories on all Guild bank accounts.

Matrix shall determine which recently terminated Guild employees if any, will be rehired and those to whom it will extend severance packages, conditional upon obtaining a comprehensive release from each employee designated for receipt of a severance package. Matrix shall seek to negotiate an agreement with John Giovanni subject to the approval of the Executive Committee, settling all outstanding rights and duties between the Guild and Mr. Giovanni.

The Guild shall pay Matrix for the performance of their management services, the sum not to exceed the pro-rated budgetary amount previously scheduled for the payment of all the Guild employees' wages and fringe benefits. The Guild will also be responsible for all necessary and customary expenses incurred by Matrix.

On or before 31 October 2001, the parties agree to determine whether to extend Matrix's contract beyond 31 December 2001, and the terms and conditions thereof, or, in the alternative, to select a management team to succeed Matrix on 1 January 2002. If the Executive Committee is unable to make this determination by 31 October 2001, the contract with Matrix will automatically be extended by 90 days beyond 31 December 2001, to permit time for the Guild and Matrix to complete a new agreement.

MATRIX CAPITAL ASSOCIATES, INC.

by: L. Wayne Gertmenian 25 June 01
L. Wayne Gertmenian, Chairman Date

JOCKEYS' GUILD INC.

by: Tomey Swan Acting President Date

by: Michael McCarthy Vice-President Date

by: Robert Colton 6/26/01
Robert Colton, Acting Secretary Date

by: Anthony Black 6/26/01
Anthony Black, Treasurer Date

by: Chris McCarron Member-at-Large Date

000452

TAB 49

AGREEMENT

The Jockeys' Guild, Inc. (hereinafter "the Guild") was incorporated in 1940 in New York, and reincorporated in 2002 in Nevada. The Guild's corporate purpose is stated in its By-Laws:

"The Guild promotes, protects, and serves the welfare and prestige of the American professional jockey community with integrity, equity, and justice."

Matrix Capital Associates, Inc. (hereinafter "Matrix") was incorporated in 1982 in California. Its corporate purpose is to advise clients on matters of investments, negotiations, and management. Matrix personnel have advanced degrees in a variety of professions, including law, finance, economics, business, accounting, and management. Dr. L. Wayne Gertmenian is Chairman and CEO.

On 15 June 2001, the Guild's Executive Committee, at a meeting with all members present, voted unanimously to hire Matrix as its interim operating manager. On 11 December 2001, the Guild's Board of Directors, at a meeting with all members present, voted unanimously to hire Matrix for the succeeding three years.

Prior to the employment of Matrix, the Guild was in perilous financial condition. Accordingly, Matrix provided services at far below customary rates during the past transitional period. The Guild's Board unanimously resolved on 3 December 2002 to compensate the Matrix staff at customary rates when future revenues permit. It is clear that the Guild is now in excellent financial condition.

The Guild recognizes and agrees that Dr. Gertmenian and his associates, while serving the Guild, have provided and will continue to provide, consulting services to other clients, and that Dr. Gertmenian will retain his position as Distinguished Professor of Economics at Pepperdine University.

NOW THEREFORE, the parties hereto agree as follows:

1. The Guild and Matrix hereby agree that Matrix will continue as the Guild's independent operating manager for a three-year term commencing 1 January 2004 and ending 31 December 2006.
2. Subject to the Nevada Articles of Incorporation and the Guild's By-Laws, the Guild shall employ Dr. Gertmenian as President and Chief Executive Officer to perform all the customary functions of a CEO. Dr. Gertmenian will hire all employees of the Guild; and will employ all professional, lobbying, and technical consultants as required, including Matrix personnel.
3. The Guild will provide *Directors and Officers Insurance* for Dr. Gertmenian, Matrix, Matrix consultants, and the Guild's Directors. The Guild will continue to provide legal representation to Dr. Gertmenian, Matrix, and those individuals acting on the Guild's behalf since 1 March 2001 to the full extent permitted by the applicable Non-Profit and Not-for-Profit Corporate Law.

4. Effective 1 January 2004, the Guild shall pay to the benefit of Dr. Gertmenian:
 - a. An annual salary of One Hundred and Sixty Thousand Dollars (\$160,000.00) paid monthly, such salary to be re-negotiated on or before 31 December 2004;
 - b. Premiums for reasonable and customary Disability Insurance;
 - c. Premiums of Twelve Thousand Dollars (\$12,000.00) per year for Life Insurance, the beneficiaries to be designated by Dr. Gertmenian;
 - d. A leased car with a cost to the Guild not to exceed Five Hundred Dollars (\$500.00) per month, plus the cost of auto insurance; and
 - e. All reasonable and customary business expenses.
5. Should Dr. Gertmenian continue in his position of President and CEO beyond 31 December 2003, it is understood that, to the extent legally possible and mutually beneficial, he shall be added to the current pension plan of the Guild and given credit for service rendered from 15 June 2001.
6. On or before December 31st of each year, and as permitted by the By-Laws, both parties agree to re-negotiate, extend, or terminate this contract. In the absence of such agreement by said date, this contract shall be extended for one year and yearly thereafter, until the parties reach an agreement or agree to terminate this contract. Either party must provide thirty (30) days written notification of termination, and, in that event, the Guild shall immediately pay the balance of Dr. Gertmenian's salary owing on the contract then in force.
7. In the event that Dr. Gertmenian ceases to be the Guild's CEO, Matrix will continue to provide its management services at the will of both parties. If either the Guild or Matrix choose to terminate the management services of Matrix, the Guild will pay Matrix an amount equal to the consulting fees charged during the six months immediately prior to that termination. This payment shall be made within thirty (30) days of written notification by either party.
8. Matrix will lease office space to the Guild for ten (10) years in California to replace the combined space leased or rented by the Guild, including the principal business office, storage, and apartments, and temporary facilities in California. The first year's rental amount shall not exceed \$97,464.00; i.e., the total rents budgeted for 2003. Matrix shall provide details regarding the premises to the Chairman for approval within seven (7) days. The approval shall not be withheld without good cause.
9. This agreement is the entire agreement between the parties and supersedes all prior agreements, understandings, statements, or representations, whether written or oral; may not amended, altered, or changed except in writing signed by both parties; and shall be governed by the laws of the State of California.

THE JOCKEYS' GUILD, INC.

by [Signature]
Tommy J. Swan, Chairman

12/1/03
Date

MATRIX CAPITAL ASSOCIATES, INC.

by [Signature]
L. Wayne Gertmenian, Chairman

1 DEC 03
Date

by [Signature]

12-1-03

by

[Signature]

12-1-03

by [Signature]

12-1-03

by

[Signature]

12-1-03

TAB 50

AGREEMENT

The Jockeys' Guild, Inc. (hereinafter "the Guild") was incorporated in 1940 in New York, and reincorporated in 2002 in Nevada. The Guild's corporate purpose is stated in its By-Laws:

"The Guild promotes, protects, and serves the welfare and prestige of the American professional jockey community with integrity, equity, and justice."

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On 15 June 2001, the Guild's Executive Committee, at a meeting with all members present, voted unanimously to hire Matrix as its interim operating manager. On 11 December 2001, the Guild's Board of Directors, at a meeting with all members present, voted unanimously to hire Matrix for the succeeding three years. On 3 December 2003, the agreement with Matrix was extended through 2006.

Prior to the employment of Matrix, the Guild was in perilous financial condition. Accordingly, Matrix provided services at far below customary rates during the past transitional period. The Guild's Board unanimously resolved on 3 December 2002 to compensate the Matrix staff at customary rates when future revenues permit.

The Guild recognizes and agrees that Dr. Gertmenian and his associates, while serving the Guild, have provided and will continue to provide, consulting services to other clients, and that Dr. Gertmenian will retain his position as Distinguished Professor of Economics at Pepperdine University.

NOW THEREFORE, the parties hereto agree as follows:

1. The Guild and Matrix hereby agree that Matrix will continue as the Guild's independent operating manager for a four-year term commencing 1 January 2005 and ending 31 December 2008.
2. Subject to the Nevada Articles of Incorporation and the Guild's By-Laws, the Guild shall employ Dr. Gertmenian as President and Chief Executive Officer to perform all the customary functions of a CEO. Dr. Gertmenian will hire all employees of the Guild; and will employ all professional, lobbying, and technical consultants as required, including Matrix personnel.
3. The Guild will provide *Directors and Officers Insurance* for Dr. Gertmenian, Matrix, Matrix consultants, and the Guild's Directors. The Guild will continue to provide legal representation to Dr. Gertmenian, Matrix, and those individuals acting on the Guild's behalf since 1 March 2001 to the full extent permitted by the applicable Non-Profit and Not-for-Profit Corporate Law.

4. Effective 1 January 2005, the Guild shall pay to the benefit of Dr. Gertmenian:
 - a. An annual salary of one hundred and seventy-five thousand dollars (\$175,000) paid monthly, such salary to be re-negotiated on or before 31 December 2005;
 - b. Premiums for reasonable and customary Disability Insurance;
 - c. Premiums of Twelve Thousand Dollars (\$12,000.00) per year for Life Insurance, the beneficiaries to be designated by Dr. Gertmenian;
 - d. A leased car with a cost to the Guild not to exceed six hundred dollars (\$600.00) per month, plus the cost of auto insurance; and
 - e. All reasonable and customary business expenses.
5. To the extent legally possible, Dr. Gertmenian shall be included in the current pension plan of the Guild and given credit for service rendered from 15 June 2001.
6. On or before December 31st of each year, and as permitted by the By-Laws, both parties agree to re-negotiate, extend, or terminate this contract. In the absence of such agreement by said date, this contract shall be extended for one year and yearly thereafter, until the parties reach an agreement or agree to terminate this contract. Either party must provide thirty (30) days written notification of termination, and, in that event, the Guild shall immediately pay the balance of Dr. Gertmenian's salary owing on the contract then in force.
7. In the event that Dr. Gertmenian ceases to be the Guild's CEO, Matrix will continue to provide its management services at the will of both parties. If either the Guild or Matrix choose to terminate the management services of Matrix, the Guild will pay Matrix an amount equal to the consulting fees charged during the six months immediately prior to that termination. This payment shall be made within thirty (30) days of written notification by either party.
8. Matrix shall provide office and storage space to the Guild at the prevailing market rate for as long as this contract remains in effect.
9. This agreement is the entire agreement between the parties and supersedes all prior agreements, understandings, statements, or representations, whether written or oral; may not be amended, altered, or changed except in writing signed by both parties; and shall be governed by the laws of the State of California.

THE JOCKEYS' GUILD, INC.

by David Shepherd Date _____
David Shepherd, Chairman

by Don O'Neil 12/7/04

by Jeff Johnston 12/7/04

by Sharon Reynolds 12/7/04

MATRIX CAPITAL ASSOCIATES, INC.

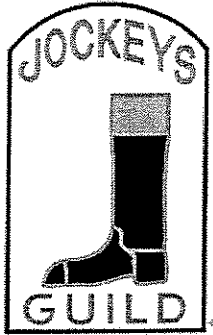
by L. Wayne Gertmenian 7 Dec 04
L. Wayne Gertmenian, Chairman Date

by Robert E. Gertmenian 12-7-04

by Daney Gertmenian 12-7-04

by _____

TAB 51

**JOCKEYS' GUILD, INC.**

PO BOX 150 • MONROVIA, CALIFORNIA 91017-0150, USA
phone | 626.305.5605 • facsimile | 626.305.5615

FAX cover sheet**TO:**

TOMEY SWAN

FROM:

Stephen J. Rice

**COMPANY:**

JOCKEYS' GUILD, INC.

DATE:

Monday, July 14, 2003

FAX NUMBER:

505-378-5430

TOTAL NO. OF PAGES INCLUDING COVER:

4

PHONE NUMBER:

580-795-3075

RE:

MATRIX INVOICES

COMMENTS:

Ms. Swan-

I have three invoices from Matrix Capital Associates that need approval from the Board before disbursing funds. Please sign the three invoices with the word APPROVED and fax them back to me. Thanks!

Steve

The information contained in this communication may be privileged, confidential, and protected from disclosure under applicable law. If the reader of this communication is not the intended recipient, or an employee or agent responsible for delivering this communication to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please notify the sender by telephone and destroy the facsimile copy immediately.

MATRIX
CAPITAL ASSOCIATES, INC.
4 Hidden Valley Road, Monrovia, CA 91016
626-359-2178



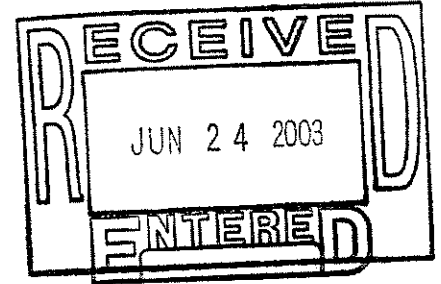
INVOICE

To: Jockeys' Guild of America
Re: Services Rendered for the Month of June
Date: 16 July 2003

Amount Due: **\$38,000**

Payable upon receipt

MATRIX
CAPITAL ASSOCIATES, INC.
4 Hidden Valley Road, Monrovia, CA 91016
626-359-2178



INVOICE

To: Jockeys' Guild of America
Re: Services Rendered for the Month of May
Date: 16 June 2003

Amount Due: **\$38,000**

Payable upon receipt

MATRIX
CAPITAL ASSOCIATES, INC.
4 Hidden Valley Road, Monrovia, CA 91016
626-359-2178



INVOICE

To: Jockeys' Guild of America
Re: Services Rendered for the Month of April
Date: 16 May 2003

Amount Due: **\$38,000**

Payable upon receipt

TAB 52

☐ CORRECTED (if checked)

| | | | | | |
|--|--|--|--|--|--|
| PAYER'S name, street address, city, state, ZIP code, and telephone no. Jockeys' Guild, Inc. P.O. Box 250 Lexington, KY 40588-0250 | | 1 Rents \$ | OMB No. 1545-0115 2002 Form 1099-MISC | | Miscellaneous Income |
| | | 2 Royalties \$ | | | |
| | | 3 Other income \$ | 4 Federal income tax withheld \$ | | |
| | | | | | |
| PAYER'S Federal identification number | RECIPIENT'S identification number 95-██████████ | 5 Fishing boat proceeds \$ | 6 Medical and health care payments \$ | | Copy B For Recipient |
| RECIPIENT'S name, street address (including apt. no.), city, state, and ZIP code L WAYNE GERTMENIAN MATRIX CAPITAL ASSOCIATES 4 HIDDEN VALLEY ROAD MONROVIA CA 91016 | | 7 Nonemployee compensation \$ 327703.48 | 8 Substitute payments in lieu of dividends or interest \$ | | |
| | | 9 Payer made direct sales of \$5,000 or more of consumer products to a buyer (recipient) for resale <input type="checkbox"/> | 10 Crop insurance proceeds \$ | | |
| | | 11 | 12 | | |
| Account number (optional) | | 13 Excess golden parachute payments \$ | 14 Gross proceeds paid to an attorney \$ | | This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported. |
| 15 | | 16 State tax withheld \$ | 17 State/Payer's state no. \$ | | |
| | | | 18 State income \$ | | |

Form 1099-MISC

(Keep for your records.)

Department of the Treasury - Internal Revenue Service

TAB 53

To the Board of Directors of
The Jockey's Guild

I understand you are considering whether or not to approve a proposed contract extending the Guild's existing contract with Matrix Capital. As you know, I reviewed the draft contract prepared by Dr. G and then provided to your Chairman a revised draft which addressed several of the deficiencies (from the viewpoint of the Guild) in Dr. G's draft. In considering how hard you want to press Matrix on these changes, or whether you wish to press for additional provisions in favor of the Guild, or even whether you wish to refuse to enter into any contract extension at this time, you will probably want to consider the Guild's rights and obligations under the existing contract with Matrix that was entered into in December 2001 (the "Existing Agreement").

1. The Existing Agreement is for a three-year term, ending December 31, 2004. During that term, Matrix is supposed to act as the Guild's "independent operating manager," but it is not clear what duties Matrix is supposed to perform (separate from the services that are to be provided by Dr. G) or what the Guild has agreed to pay Matrix for those services. I understand that this may be covered by a separate agreement between the Guild and Matrix, but I have not seen that agreement.

2. The Existing Agreement also provides that the Guild will employ Dr. G as its President and CEO, even though there does not appear to be any direct employment agreement between the Guild and Dr. G. Although the Existing Agreement is somewhat ambiguous, it seems to provide that such employment is to be for the same three-year term as is the agreement with Matrix, ending in December 31, 2004. The Existing Agreement does not indicate when Dr. G would be permitted to resign as the Guild's President, or when the Guild would be permitted to terminate him. However, if Dr. G ceases to be the Guild's CEO (presumably, whether this is due to his death, disability, resignation or termination), then Matrix is still supposed to continue as the Guild's "independent operating manager," although either the Guild or Matrix is permitted to terminate that "independent operating manager" arrangement if at any time thereafter.

3. For his services as the Guild's President and CEO, Dr. G is to receive an annual salary of \$75,000, premiums to pay his disability insurance, premiums (\$12,000) for his life insurance, a leased car (at a cost of not more than \$500 per month) and payment of his "reasonable and customary" business expenses. Dr. G is also supposed to be added to the Guild's pension plan, effective as of June 15, 2001, if he is still President and CEO of the Guild after December 31, 2004.

4. Dr. G's salary was supposed to be "re-negotiated" on or before June 30, 2002. I am not aware whether or not this salary was, in fact, re-negotiated. If not, this might give Dr. G cause to resign as President and CEO and might give Matrix a right to terminate the Existing Agreement, although this is not clear from the agreement.

5. The Existing Agreement contemplates that the Guild will close its Lexington office (I assume this has already occurred), and that Matrix "will" lease office space in California to the Guild for ten years at an amount that does not exceed \$97,464 per year. Matrix is supposed to provide "details" about the proposed lease premises to the Chairman of the Guild,

who would then have 7 days to approve or reject, with any disapproval requiring "good cause." I am not aware whether or not office space has yet been offered by Matrix to the Chairman (the Existing Agreement is silent as to when Matrix is supposed to do so) and, if it has, whether or not the space, and lease terms, has been found suitable by the Chairman. If so, a written lease should be entered into as soon as possible, specifying exactly what premises are covered, what the actual rent will be (although \$97,464 is specified as the maximum, the actual rent should not exceed "fair rental value" for the space), what services, if any, are to be provided by the landlord, and other provisions commonly found in a lease for office space. If there has not yet been any agreement as to the space to be leased, or as to the rent and other terms of the lease, the Existing Agreement leaves open a lot of issues that still need to be addressed. If Matrix will not (or cannot) provide space deemed suitable by the Guild, at a rent and on terms deemed suitable by the Guild, it is unclear whether or not the Guild is then free to find other suitable space to lease from some third party landlord.

6. The Guild and Matrix agreed to "re-negotiate, extend, or terminate" the Existing Agreement on or before each December 31. Thus, the first such re-negotiation was required to occur by December 31, 2002. I assume the current discussions are intended to satisfy this obligation.

7. If the Guild and Matrix are unable to reach an agreement to "re-negotiate, extend, or terminate" the Existing Agreement by December 31, 2002 (of course, they can continue to negotiate beyond that date if both parties are willing, as appears to be the case), it is unclear what happens to the Existing Agreement. There is no express provision permitting either party to terminate, although that is what seems to be contemplated. If the Existing Agreement is terminated, then so, presumably, would be the obligation by Matrix to rent space to the Guild, and the obligation by the Guild to rent space from Matrix, unless a lease had already been entered into by the parties before such termination.

8. If either Matrix or the Guild terminates the Existing Agreement (although, as indicated, neither of them is actually given a right to do so), then the Existing Agreement seems to contemplate that Dr. G will cease to act as the Guild's President and CEO, although it does not say so specifically. In that event, the Guild is obligated to pay to Dr. G the balance of his three-year's salary. I would read this as being salary only (i.e., \$6,250 times the number of months between the termination and December 31, 2004), and not any of his other benefits (disability insurance, life insurance, rental car, etc.). Such payment is due within 90 days "of written notification by either party," and I assume that Matrix would demand such payment, on Dr. G's behalf, as soon as the Existing Agreement were terminated.

9. If the Guild and Matrix are unable to reach a mutually satisfactory agreement to "re-negotiate, extend, or terminate" the Existing Agreement by December 31, 2002, then even if the Existing Agreement is not terminated, then either party (presumably Matrix) can still give notice to the other (the Guild) requiring payment to Dr. G, within 90 days thereafter, of the balance of his three year's of salary. Although it does not say so explicitly, I read this as also permitting the Guild to terminate Dr. G as its President and CEO, by giving notice to Matrix any time after December 31, 2002, if the Guild and Matrix are unable to agree on a new agreement (although the balance of the three year's of salary would still have to be paid to him).

In summary, it appears (despite the several ambiguities in the Existing Agreement) that

- if the Guild and Matrix are unable hereafter to reach a mutually satisfactory agreement to "re-negotiate, extend, or terminate," then either party will be able to terminate the Existing Agreement by giving notice to the other.
- If Matrix were to terminate, Dr. G would presumably resign as President at the same time. Even if Dr. G did not resign, the termination of the Existing Agreement would probably permit the Guild to terminate Dr. G as its President and CEO. In either event, the Guild would have to pay Dr. G the balance of his three years of salary.
- If the Guild were to terminate, then the Guild could also terminate Dr. G's services as President and CEO. Even if the Guild chose not to do so, Dr. G would undoubtedly be permitted to resign if he wished to do so. In either event, the Guild would have to pay Dr. G the balance of his three years of salary.
- If any lease had been entered into by Matrix and the Guild before such termination, it would remain in effect. If, however, no such lease had been entered into before such termination, Matrix would no longer have an obligation to lease space to the Guild and the Guild would no longer have an obligation to lease space from Matrix.
- If neither party chooses to terminates the Existing Agreement, despite their inability to reach a mutually satisfactory agreement to "re-negotiate, extend, or terminate," then the terms of the Existing Agreement, including Dr. G's employment as an officer at the specified salary and perks, would remain in effect until December 31, 2004.

I would be pleased to discuss any of the above matters at a meeting with the Board members if that would be useful to you.

Steve Blitz